

UNITED STATES DISTRICT COURT

Eastern

District of

North Carolina

UNITED STATES OF AMERICA

V.

RGB, Inc.

JUDGMENT IN A CRIMINAL CASE (For Organizational Defendants)

CASE NUMBER: 5:15-CR-115-3-D

John P. O'Hale

Defendant Organization's Attorney

THE DEFENDANT ORGANIZATION:

☒ pleaded guilty to count(s) 2s of the Second Superseding Indictment

☐ pleaded nolo contendere to count(s) _____
which was accepted by the court.

☐ was found guilty on count(s) _____
after a plea of not guilty.

The organizational defendant is adjudicated guilty of these offenses:

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
18 U.S.C §1955	Conducting an Illegal Gambling Business	May 6, 2014	2s

The defendant organization is sentenced as provided in pages 2 through 5 of this judgment.

☐ The defendant organization has been found not guilty on count(s) _____

☒ Count(s) 1 - 21, and 1s, 3s - 21s ☐ is ☒ are dismissed on the motion of the United States.

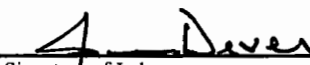
It is ordered that the defendant organization must notify the United States attorney for this district within 30 days of any change of name, principal business address, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant organization must notify the court and United States attorney of material changes in economic circumstances.

Defendant Organization's
Federal Employer I.D. No.: 56-1470767

Defendant Organization's Principal Business Address:

March 16, 2017

Date of Imposition of Judgment


Signature of Judge

James C. Dever III

Name of Judge

Chief U.S. District Judge

Title of Judge

March 16, 2017

Date

Defendant Organization's Mailing Address:

6217 NC-39, Selma, NC 27576

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PROBATION

The defendant organization is hereby sentenced to probation for a term of :
Count 2s - 4 years

The defendant organization shall not commit another federal, state or local crime.

If this judgment imposes a fine or a restitution obligation, it is a condition of probation that the defendant organization pay in accordance with the Schedule of Payments sheet of this judgment.

The defendant organization must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page (if indicated below).

1. The defendant shall cooperate fully with the United States Probation Office during the period of supervision including truthfully answering any inquiries by the probation office. The defendant shall provide the probation office with the following: full access to any of the defendant's operating locations as necessary; 15 days prior notice of any intended change in principal business or mailing address; and notice of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay fines or meet other financial obligations as set forth in this Judgment.

2. Within thirty days from the date of this judgment, the defendant organization shall designate an official of the organization to act as the organization's representative and to be the primary contact with the probation officer.

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ADDITIONAL PROBATION TERMS

3. The defendant organization shall notify the probation officer within seventy-two hours of any criminal prosecution.
4. The defendant organization shall not dissolve, change its name, or change the name under which it does business unless this judgment and all criminal monetary penalties imposed by this court are either fully satisfied or are equally enforceable against the defendant's successors or assignees.
5. The defendant, related or successor business entities, and principals, David Ricky Godwin and David Ricky Godwin, Jr., will follow all federal and state gambling and sweepstakes laws, including 18 U.S.C. § 1955 and N.C. Gen. Stat. §§ 14-292 through 14-309; the defendant will provide written notice to the United States Attorney and Chief of the Criminal Division of the USAO-EDNC and to its supervising probation officer at least fourteen days before it, related or successor business entities, or principals, David Ricky Godwin and David Ricky Godwin Jr., take part in any activities relating to sweepstakes, gambling, or bets involving a skill component in North Carolina even if the activity is believed to be legal. The notice shall include: (1) the nature of the activity; (2) the official rules; (3) any associated literature, promotional, or marketing materials; (4) a demonstration if requested; (5) if requested, a list of locations where the activities will occur, and (6) any other materials relating to the sweepstakes requested by the USAO-EDNC or probation officer.

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CRIMINAL MONETARY PENALTIES

The defendant organization must pay the following total criminal monetary penalties under the schedule of payments on Sheet 4.

	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$ 400.00	\$ 150,000.00	\$

☐ The determination of restitution is deferred until _____. An *Amended Judgment in a Criminal Case* (AO 245C) will be entered after such determination.

☐ The defendant organization shall make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant organization makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

<u>Name of Payee</u>	<u>Total Loss*</u>	<u>Restitution Ordered</u>	<u>Priority or Percentage</u>
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TOTALS	\$	0.00	\$	0.00
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☐ Restitution amount ordered pursuant to plea agreement \$ _____

☒ The defendant organization shall pay interest on restitution or a fine of more than \$2,500, unless the restitution or fine is paid in full before the fifteenth day after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options on Sheet 4 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

☐ The court determined that the defendant organization does not have the ability to pay interest, and it is ordered that:

☐ the interest requirement is waived for the ☐ fine ☐ restitution.

☐ the interest requirement for the ☐ fine ☐ restitution is modified as follows:

* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

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SCHEDULE OF PAYMENTS

Having assessed the organization's ability to pay, payment of the total criminal monetary penalties are due as follows:

- A ☐ Lump sum payment of \$ _____ due immediately, balance due
- ☐ not later than _____, or
- ☐ in accordance with ☐ C or ☐ D below; or
- B ☐ Payment to begin immediately (may be combined with ☐ C or ☐ D below); or
- C ☐ Payment in _____ (e.g., equal, weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after the date of this judgment; or
- D ☒ Special instructions regarding the payment of criminal monetary penalties:
- The special assessment in the amount of \$400.00 shall be due in full immediately. Payment of the total fine shall be due in full immediately.

All criminal monetary penalties are made to the clerk of the court.

The defendant organization shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

☐ Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

☐ The defendant organization shall pay the cost of prosecution.

☐ The defendant organization shall pay the following court cost(s):

☒ The defendant organization shall forfeit the defendant organization's interest in the following property to the United States:

The defendant shall forfeit its interest as specified in the Memorandum of Plea Agreement entered on March 16, 2017, in the following amounts: \$2,334,500 to the United States Department of Justice. The defendant also shall pay \$15,500 to the North Carolina State Bureau of Investigation, Alcohol Law Enforcement to cover the costs of destroying the illegal video gaming devices and related equipment seized during the investigation.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) costs of prosecution, (7) costs of the defendant organization.